

AMENDED IN SENATE MAY 10, 2016

AMENDED IN SENATE MARCH 30, 2016

SENATE BILL

No. 1305

Introduced by Senator Morrell

(~~Coauthor: Senator Fuller~~)

(Coauthors: Senators Fuller, Huff, and Roth)

(Coauthors: Assembly Members Lackey, Mayes, ~~and Obernolte~~)

Obernolte, and Steinorth)

February 19, 2016

An act to amend Sections 130102, 130108, 130233, and 180260 of, to amend and renumber Section 130054 of, to add Chapter 7 (commencing with Section 130800) to Division 12 of, to repeal Section 130102.5 of, and to repeal Division 20 (commencing with Section 190000) of, the Public Utilities Code, and to amend Section 149.11 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1305, as amended, Morrell. San Bernardino County Transportation Authority.

Existing law authorizes a county board of supervisors to create or otherwise designate local agencies, including a transportation authority, which may impose a transportation sales tax subject to voter approval, a service authority for freeway emergencies, and a transportation congestion management agency, as specified.

The Joint Exercise of Powers Act authorizes the legislative or other governing bodies of 2 or more public agencies to jointly exercise, by agreement, any power common to the contracting parties, as specified.

The County Transportation Commissions Act provides for the creation of county transportation commissions in the Counties of Los Angeles,

Orange, Riverside, San Bernardino, and Ventura, with various powers and duties relative to transportation planning and funding, as specified.

This bill would create the San Bernardino County Transportation Authority as the successor to the powers, duties, revenues, debts, obligations, liabilities, immunities, and exemptions, expressed or implied, of the San Bernardino County Transportation Commission and the County of San Bernardino local transportation authority, service authority for freeway emergencies, and local congestion management agency, and of the San Bernardino Associated Governments joint powers authority when it was acting on behalf of, or in the capacity of, those entities.

By imposing new duties on local government associated with this consolidation, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. It is the intent of the Legislature that the San
2 Bernardino County Transportation Authority be a unified and
3 comprehensive institution that combines the transportation-related
4 functions and authorities of the San Bernardino County
5 Transportation Commission and the County of San Bernardino
6 local transportation authority, service authority for freeway
7 emergencies, and congestion management agency, which are
8 currently exercised by the San Bernardino Associated Governments
9 joint powers authority by statute or by designation of the San
10 Bernardino County Board of Supervisors. It is the intent of the
11 Legislature that this act vest responsibility and liability for
12 transportation-related functions in the County of San Bernardino
13 in a single ~~entity~~, *entity* to promote administrative efficiency,
14 enhance public transparency, and ensure maximum accountability
15 to the ~~people~~, as provided for in this act. *people*.

1 SEC. 2. Section 130054 of the Public Utilities Code is amended
2 and renumbered to read:

3 130807. The San Bernardino County Transportation
4 Commission shall be known as the authority.

5 SEC. 3. Section 130102 of the Public Utilities Code is amended
6 to read:

7 130102. A majority of the members of the commission shall
8 constitute a quorum for the transaction of business, and all official
9 acts of the commission shall require the affirmative vote of a
10 majority of the members of the commission.

11 SEC. 4. Section 130102.5 of the Public Utilities Code is
12 repealed.

13 SEC. 5. Section 130108 of the Public Utilities Code is amended
14 to read:

15 130108. (a) Each member of a commission may be
16 compensated at a rate not exceeding one hundred dollars (\$100)
17 for any day attending to the business of the commission, but not
18 to exceed four hundred dollars (\$400) in any month, and the
19 necessary traveling and personal expenses incurred in the
20 performance of his or her duties as authorized by the commission.
21 Members of the San Bernardino County Transportation Authority
22 shall be compensated pursuant to this subdivision. Members of
23 the Los Angeles County Metropolitan Transportation Authority
24 shall be compensated pursuant to subdivision (b).

25 (b) Each member of the Los Angeles County Metropolitan
26 Transportation Authority shall be compensated at a rate not
27 exceeding one hundred and fifty dollars (\$150) for any day
28 attending to the business of the authority, but not to exceed six
29 hundred dollars (\$600) per month, and other expenses which are
30 directly related to the performance of duties as authorized by the
31 authority.

32 SEC. 6. Section 130233 of the Public Utilities Code is amended
33 to read:

34 130233. (a) Except as provided in subdivision (b), if, after
35 rejecting bids received under Section 130232, the commission
36 determines and declares, by a two-thirds vote of all of its members,
37 that the supplies, equipment, or materials may be purchased at a
38 lower price in the open market, the commission may proceed to
39 purchase those supplies, equipment, or materials in the open market

1 without further observance of the provisions in this article
2 regarding contracts, bids, advertisement, or notice.

3 (b) ~~Notwithstanding subdivision (a), if, If~~, after rejecting bids
4 received under Section 130232, the San Bernardino County
5 Transportation Authority determines and declares, by a majority
6 vote of all of its members, that the supplies, equipment, or materials
7 may be purchased at a lower price in the open market, the authority
8 may proceed to purchase those supplies, equipment, or materials
9 in the open market without further observance of the provisions
10 in this article regarding contracts, bids, advertisement, or notice.

11 SEC. 7. Chapter 7 (commencing with Section 130800) is added
12 to Division 12 of the Public Utilities Code, to read:

13
14 CHAPTER 7. SAN BERNARDINO COUNTY TRANSPORTATION
15 AUTHORITY CONSOLIDATION ACT OF 2017
16

17 130800. This chapter shall be known and may be cited as the
18 San Bernardino County Transportation Authority Consolidation
19 Act of 2017.

20 130803. For purposes of this chapter, the following definitions
21 shall apply:

22 (a) “Authority” means the San Bernardino County
23 Transportation Authority established pursuant to Section 130806.

24 (b) “Local congestion management agency” means a County
25 of San Bernardino congestion management agency established
26 pursuant to subdivision (a) of Section 65089 of the Government
27 Code.

28 (c) “Local transportation authority” means a County of San
29 Bernardino transportation authority established pursuant to Section
30 180050.

31 (d) “San Bernardino Associated Governments” means the joint
32 powers agency established pursuant to the Joint Exercise of Powers
33 Act (Chapter 5 (commencing with Section 6500) of Division 7 of
34 Title 1 of the Government Code).

35 (e) “San Bernardino County Consolidated Agencies” means the
36 San Bernardino County Transportation Commission established
37 pursuant to Section 130050, the local transportation authority,
38 service authority for freeway emergencies, and local congestion
39 management agency in existence on December 31, 2016, and the

1 San Bernardino Associated Governments when it was acting on
2 behalf of, or in the capacity of, those entities.

3 (f) “Service authority for freeway emergencies” means a County
4 of San Bernardino service authority for freeway emergencies
5 established pursuant to Section 2551 of the Streets and Highways
6 Code.

7 130806. There is hereby created the San Bernardino County
8 Transportation Authority. The authority shall be the successor to
9 the powers, duties, revenues, debts, obligations, liabilities,
10 immunities, and exemptions, expressed or implied, of the San
11 Bernardino County Consolidated Agencies.

12 130809. (a) The authority may exercise all rights and powers,
13 expressed or implied, including, without limitation, the power to
14 issue bonds, and rely on any immunities or exemptions provided
15 by law to a county transportation commission, a local transportation
16 authority, a service authority for freeway emergencies, or a local
17 congestion management agency.

18 (b) The authority’s powers include, but are not limited to, the
19 power to do all of the following:

20 (1) To sue and to be sued.

21 (2) To acquire any property by any means, and to hold, manage,
22 occupy, develop, jointly develop, dispose of, lease, convey, or
23 otherwise encumber property.

24 (3) To create a leasehold interest in property for the benefit of
25 the authority.

26 (4) To acquire, by eminent domain, any property necessary to
27 carry out any of its powers or functions.

28 (5) To merge or split parcels, adjust boundary lines, or take
29 similar actions as part of the acquisition of land or as needed in
30 order to carry out its functions.

31 (6) To construct, acquire, develop, jointly develop, maintain,
32 operate, lease, and dispose of work, property, rights-of-way, and
33 facilities.

34 (7) To appoint necessary employees, including counsel, and to
35 define their qualifications and duties.

36 (8) To enter into and perform all necessary contracts.

37 (9) To fix and collect fees for any services rendered by it.

38 (10) To adopt a seal and alter it.

39 (11) To adopt an annual budget and to fix the compensation of
40 its officers, board members, and employees.

1 (12) To establish and enforce rules and regulations for the
2 administration, operation, and maintenance of facilities and
3 services.

4 (13) To enter into joint powers arrangements with other entities.

5 (14) To provide insurance.

6 (15) To issue bonds and incur other obligations.

7 (16) To advance funds from any sources towards a project in
8 anticipation of future funding sources or contributions from other
9 agencies in order to maximize the efficient delivery of projects
10 undertaken by the authority.

11 (17) To loan moneys from any of the funds or accounts held by
12 the authority to any other fund or account held by the authority, if
13 all of the following occur:

14 (A) The loan is authorized pursuant to a resolution of the
15 governing board of the authority.

16 (B) The authority determines that the loan serves the purposes
17 of the authority.

18 (C) All moneys loaned to the borrowing fund or account are
19 expended for any of the lawful purposes for which the borrowing
20 account was established.

21 (18) To do any other things necessary or desirable to carry out
22 the purposes of a county transportation commission, a local
23 transportation authority, a service authority for freeway
24 emergencies, or a local congestion management agency.

25 130812. The authority may bring an action to determine the
26 validity of its bonds, warrants, contracts, obligations, or evidences
27 of indebtedness issued on or after January 1, 2017, pursuant to
28 Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of
29 the Code of Civil Procedure.

30 130815. (a) The governing body of the authority shall consist
31 of the following members:

32 (1) Five members of the San Bernardino County Board of
33 Supervisors.

34 (2) One member from each County of San Bernardino
35 incorporated city, who shall be a mayor or a city council member.

36 (3) One nonvoting member appointed by the Governor.

37 (b) Each County of San Bernardino incorporated city may
38 appoint an alternate member to represent it at a meeting, but only
39 if the regular member cannot attend the meeting. The alternate
40 member shall either be a mayor or a city council member.

1 130818. (a) Any reference to the San Bernardino County
2 Transportation Commission or to a County of San Bernardino
3 transportation commission, local transportation authority, service
4 authority for freeway emergencies, or local congestion management
5 agency, shall be deemed to refer to the authority.

6 (b) By operation of law, the authority shall act as and assume
7 the rights, obligations, assets, and liabilities of the San Bernardino
8 County Consolidated Agencies, as established by operation of law
9 or under any contract to which any of them is a party and that was
10 entered into before January 1, 2017. All real and personal property
11 owned by any of the San Bernardino County Consolidated
12 Agencies shall be transferred to the authority by operation of law.

13 (c) The respective legally enforceable debts and liabilities of
14 the San Bernardino County Consolidated Agencies shall transfer
15 to the authority and exist as debts and liabilities of the authority
16 in the same manner as if the authority had itself incurred them.

17 (d) The respective rights of creditors and all liens upon the
18 property of the San Bernardino County Consolidated Agencies
19 transferred to the authority, including, without limitation, any
20 pledge of revenues or other collateral securing the repayment of
21 bonds, as those terms are defined in Section 5450 of the
22 Government Code, and the other responsibilities of the San
23 Bernardino County Consolidated Agencies transferred to the
24 authority, shall be preserved unimpaired, and those bonds are the
25 valid obligations of the authority, in each case limited in lien or
26 pledge to the property affected by the liens or pledges immediately
27 prior to the transfer of related responsibilities and obligations.

28 (e) All powers, duties, debts, obligations, liabilities, or claims
29 arising out of or related to the powers, duties, debts, obligations,
30 and liabilities transferred to the authority under this chapter by
31 operation of law shall be transferred to the authority without further
32 recourse to the San Bernardino Associated Governments or its
33 member agencies, as applicable, and the authority may be
34 proceeded against or substituted in the place of any of the San
35 Bernardino County Consolidated Agencies if the action or
36 proceeding pertains to a transferred power, duty, revenue, debt,
37 obligation, liability, or claim.

38 (f) In order to protect the holders of outstanding, unmatured
39 bonds and other evidences of indebtedness of the San Bernardino
40 County Consolidated Agencies pertaining to the responsibilities

1 and obligations transferred to the authority, the authority shall have
2 the power to take all actions and do all things necessary or required
3 for the protection of those holders and for compliance with the
4 terms of those bonds and other evidences of indebtedness. The
5 authority shall have the power to continue all services that the San
6 Bernardino County Consolidated Agencies, on the date of the
7 transfer, was furnishing and that pertained to the responsibilities
8 and obligations transferred to the authority.

9 130821. Chapter 1 (commencing with Section 180000), Chapter
10 5 (commencing with Section 180200), and Chapter 6 (commencing
11 with Section 180250) of Division 19 (commencing with Section
12 180000) shall be equally applicable to the authority as if set forth
13 herein and shall be in addition to the powers and functions of the
14 authority set forth in this division.

15 130824. (a) After the creation of the authority and on the
16 effective date of a resolution of the Board of Retirement of the
17 San Bernardino County Employees' Retirement Association
18 consenting to membership of the authority's employees pursuant
19 to subdivision (b) of Section 31557 of the Government Code, all
20 then-current employees of the San Bernardino Associated
21 Governments shall be deemed to be employees of the authority
22 and all duties and obligations of the employment relationship shall
23 be assumed by the authority. The status of each employee deemed
24 to have become an employee of the authority by operation of this
25 section, with respect to membership in the retirement system, shall,
26 in all respects, be as if the employee had remained a member of
27 the retirement system without any break in service or change of
28 employer. The authority shall be deemed a "district" as defined
29 by the County ~~Employees'~~ *Employees* Retirement Law of 1937
30 (Chapter 3 (commencing with Section 31450) of Part 3 of Division
31 4 of Title 3 of the Government ~~Code~~), *Code*) and shall in all
32 respects assume all of the rights, obligations, and status previously
33 occupied by the San Bernardino Associated Governments as a
34 participating district in the retirement system, including, but not
35 limited to, the payment of employer contributions, the payment of
36 unfunded actuarial liability, the withholding of employee
37 contributions, the reporting of compensation earnable and
38 pensionable compensation, record retention and audit compliance,
39 the enrollment of eligible employees in membership, compliance
40 with restrictions on the employment of retired persons, and the

1 pickup of employee contributions pursuant to Section 414(h)(2)
2 of the Internal Revenue Code (26 U.S.C. 414(h)(2)) and any
3 agreement or resolution implementing the same.

4 (b) The termination of the San Bernardino Associated
5 Governments' status as a participating district in the retirement
6 system shall not trigger withdrawal liability pursuant to Section
7 31564.2 of the Government Code. The authority shall assume the
8 prior obligations of the San Bernardino Associated Governments
9 for the payment of unfunded actuarial liability, which shall continue
10 to be included in contribution rates calculated and approved
11 pursuant to the County ~~Employees'~~ *Employees* Retirement Law
12 of 1937, including, but not limited to, Sections 31453, 31453.5,
13 31454, 31581, and 31585 of the Government Code, as if no change
14 in the participating employer had occurred.

15 (c) The authority shall succeed to the rights, duties, and
16 obligations of the San Bernardino Associated Governments with
17 respect to its replacement benefits program pursuant to Chapter
18 3.9 (commencing with Section 31899) of Part 3 of Division 4 of
19 Title 3 of the Government Code. The rights of each retirement
20 system member to participate in the replacement benefits program,
21 as those rights exist at the time of the transfer of rights, duties, and
22 obligations to the authority, whether the member is actively
23 employed, deferred, or retired, shall continue as if there had been
24 no change in the status of the employer. The transfer of rights,
25 duties, and responsibilities shall not be deemed the creation of a
26 new replacement benefit program, and the continuation of
27 employees' rights pursuant to the operation of this section shall
28 not be deemed the offering of a new plan to any employee, for
29 purposes of Section 7522.43 and subdivision (c) of Section 31899
30 of the Government Code.

31 130827. The authority shall have the power to contract to
32 provide the services of its employees to San Bernardino Associated
33 Governments upon lawful terms and conditions agreed to by the
34 authority and San Bernardino Associated Governments.

35 SEC. 8. Section 180260 of the Public Utilities Code is amended
36 to read:

37 180260. (a) All accrued interest and premiums received on
38 the sale of the bonds shall be placed in the fund to be used for the
39 payment of the principal of, and interest on, the bonds, and the
40 remainder of the proceeds of the bonds shall be placed in the

1 treasury of the authority and applied to secure the bonds or for the
2 purposes for which the debt was incurred. However, when the
3 purposes have been accomplished, any money remaining shall be
4 either ~~(a)~~ (1) transferred to the fund to be used for the payment of
5 principal of, and interest on, the bonds or ~~(b)~~ (2) placed in a fund
6 to be used for the purchase of the outstanding bonds in the open
7 market at prices and in the manner, either at public or private sale
8 or otherwise, as determined by the authority. Bonds so purchased
9 shall be canceled immediately.

10 (b) Notwithstanding subdivision (a), all proceeds of the San
11 Bernardino County Transportation Authority's bonds shall be
12 applied to secure the bonds or for the purposes for which the debt
13 was incurred. However, when the purposes have been
14 accomplished, any moneys remaining shall be either transferred
15 to the fund used for the payment of principal of, and interest on,
16 the bonds, or placed in a fund to be used for the purchase of the
17 outstanding bonds in the open market at prices and in the manner,
18 either at public or private sale or otherwise, as determined by the
19 San Bernardino County Transportation Authority. Bonds so
20 purchased shall be canceled immediately.

21 SEC. 9. Division 20 (commencing with Section 190000) of
22 the Public Utilities Code is repealed.

23 SEC. 10. Section 149.11 of the Streets and Highways Code is
24 amended to read:

25 149.11. (a) (1) Notwithstanding Sections 149 and 30800 of
26 this code, and Section 21655.5 of the Vehicle Code, the San
27 Bernardino County Transportation Authority, created pursuant to
28 Section 130806 of the Public Utilities Code, may conduct,
29 administer, and operate a value-pricing program in the Interstate
30 10 and Interstate 15 corridors in the County of San Bernardino.
31 The value-pricing program may include high-occupancy toll lanes
32 or other toll facilities. The San Bernardino County Transportation
33 Authority may also extend the program to include the approaching
34 and departing connectors on Interstate 10 extending into the County
35 of Los Angeles, as designated by an agreement with the Los
36 Angeles County Metropolitan Transportation Authority, and the
37 connection to the Interstate 15 express lanes project in the County
38 of Riverside, as designated by an agreement with the Riverside
39 County Transportation Commission. The San Bernardino County
40 Transportation Authority may exercise its existing powers of

1 eminent domain pursuant to Section 130220.5 of the Public Utilities
2 Code to acquire property necessary to carry out the purposes of
3 the value-pricing program.

4 (2) The value-pricing program authorized pursuant to paragraph
5 (1) may only be implemented upon a determination that the
6 program and the resulting facilities will improve the performance
7 of the affected corridors. Improved performance may be
8 demonstrated by factors that include, but are not limited to,
9 increased passenger throughput or improved travel times. The San
10 Bernardino County Transportation Authority shall make the
11 determination required by this paragraph in a public meeting prior
12 to operation of the value-pricing program.

13 (3) The San Bernardino County Transportation Authority shall
14 have the authority to set, levy, and collect tolls, user fees, or other
15 similar charges payable for the use of the toll facilities in the
16 County of San ~~Bernardino~~, *Bernardino* and any other incidental
17 or related fees or charges, and to collect those revenues, in a
18 manner determined by the San Bernardino County Transportation
19 Authority, in amounts as required for the following expenditures
20 relative to the program and for the purposes of paragraph (4):

21 (A) Development, including the costs of design, construction,
22 right-of-way acquisition, and utilities adjustment.

23 (B) Operations and maintenance, including, but not limited to,
24 insurance, collection, and enforcement of tolls, fees, and charges.

25 (C) Repair, rehabilitation, and reconstruction.

26 (D) Indebtedness incurred and internal loans and advances,
27 including related financial costs.

28 (E) Administration, which shall not exceed 3 percent of the
29 revenues of toll facilities and associated transportation facilities.

30 (F) Reserves for the purposes described in subparagraphs (A)
31 to (E), inclusive.

32 (4) All revenue generated pursuant to paragraph (3) in excess
33 of the expenditure needs of that paragraph shall be used exclusively
34 for the benefit of the transportation corridors included in the
35 value-pricing program created pursuant to this section. These
36 excess revenue expenditures shall be described in an excess revenue
37 expenditure plan developed in consultation with the department
38 and adopted and periodically updated by the board of directors of
39 the San Bernardino County Transportation Authority and may

1 include, but need not be limited to, the following eligible
2 expenditures:

3 (A) Expenditures to enhance transit service designed to reduce
4 traffic congestion within the transportation corridors included in
5 the value-pricing program created pursuant to this section. Eligible
6 expenditures include, but are not limited to, transit operating
7 assistance, the acquisition of transit vehicles, and transit capital
8 improvements otherwise eligible to be funded under the state
9 transportation improvement program pursuant to Section 164.

10 (B) Expenditures to make operational or capacity improvements
11 designed to reduce traffic congestion or improve the flow of traffic
12 in the transportation corridors included in the value-pricing
13 program created pursuant to this section. Eligible expenditures
14 include, but are not limited to, any phase of project delivery to
15 make capital improvements to on ramps, off ramps, connector
16 roads, roadways, bridges, or other structures that are necessary for
17 or related to the tolled or nontolled transportation facilities in the
18 transportation corridors included in the value-pricing program
19 created pursuant to this section.

20 (5) To the extent the San Bernardino County Transportation
21 Authority plans to extend the value-pricing program into the
22 Counties of Los Angeles or Riverside, it shall enter into an
23 agreement with the Los Angeles County Metropolitan
24 Transportation Authority or the Riverside County Transportation
25 Commission, as applicable, subject to approval of the board of
26 directors of the San Bernardino County Transportation Authority
27 and the board of directors of the affected entity. If the value-pricing
28 program developed and operated by the San Bernardino County
29 Transportation Authority connects to, or is near, similar toll
30 facilities constructed and operated by the Los Angeles County
31 Metropolitan Transportation Authority or the Riverside County
32 Transportation Commission, the respective entities shall enter into
33 an agreement providing for the coordination of the toll facilities
34 operated by each entity.

35 (b) (1) The San Bernardino County Transportation Authority
36 shall carry out the program in cooperation with the Department of
37 the California Highway Patrol pursuant to an agreement that
38 addresses all matters related to enforcement on state highway
39 system facilities in connection with the value-pricing program,
40 and with the department pursuant to an agreement that addresses

1 all matters related to the design, construction, maintenance, and
2 operation of state highway system facilities in connection with the
3 value-pricing program, including, but not limited to, financing,
4 repair, rehabilitation, and reconstruction.

5 (2) The San Bernardino County Transportation Authority shall
6 be responsible for reimbursing the department and the Department
7 of the California Highway Patrol for costs related to the toll facility
8 pursuant to an agreement between the San Bernardino County
9 Transportation Authority and the department and between the San
10 Bernardino County Transportation Authority and the Department
11 of the California Highway Patrol.

12 (c) Single-occupant vehicles that are certified or authorized by
13 the San Bernardino County Transportation Authority for entry
14 into, and use of, the high-occupancy toll lanes implemented
15 pursuant to this section are exempt from Section 21655.5 of the
16 Vehicle Code, and the driver shall not be in violation of the Vehicle
17 Code because of that entry and use.

18 (d) (1) The San Bernardino County Transportation Authority
19 may issue bonds at any time to finance any costs necessary to
20 implement the program established pursuant to this section and
21 any expenditures provided for in paragraphs (3) and (4) of
22 subdivision (a), payable from the revenues generated from the
23 program and any other sources of revenues available to the San
24 Bernardino County Transportation Authority that may be used for
25 these purposes, including, but not limited to, sales tax revenue,
26 development impact fees, or state and federal grants.

27 (2) The maximum bonded indebtedness that may be outstanding
28 at any one time shall not exceed an amount that may be serviced
29 from the projected revenues available as described in paragraph
30 (1).

31 (3) The bonds shall bear interest at a rate or rates not exceeding
32 the maximum allowable by law, payable at intervals determined
33 by the San Bernardino County Transportation Authority.

34 (4) Any bond issued pursuant to this subdivision shall contain
35 on its face a statement to the following effect:

36 “Neither the full faith and credit nor the taxing power of the
37 State of California is pledged to the payment of principal of, or
38 interest on, this bond.”

39 (5) Bonds shall be issued pursuant to a resolution of the
40 governing board of the San Bernardino County Transportation

1 Authority adopted by a majority vote of its governing board. The
2 resolution or bond authorizing instrument shall state all of the
3 following:

4 (A) The purposes for which the proposed debt is to be incurred.
5 (B) The estimated cost of accomplishing those purposes.
6 (C) The amount of the principal of the indebtedness.
7 (D) The maximum term of the bonds and the maximum interest
8 rate.

9 (E) The denomination or denominations of the bonds, which
10 shall not be less than five thousand dollars (\$5,000).

11 (F) The form of the bonds.

12 (e) Not later than three years after either the San Bernardino
13 County Transportation Commission or the San Bernardino County
14 Transportation Authority first collects revenues from the program
15 authorized by this section, the San Bernardino County
16 Transportation Authority shall submit a report to the Legislative
17 Analyst on its findings, conclusions, and recommendations
18 concerning the program. The report shall include an analysis of
19 the effect of the transportation facilities on the adjacent mixed-flow
20 lanes and any comments submitted by the department and the
21 Department of the California Highway Patrol regarding operation
22 of the transportation facilities.

23 (f) This section shall not prevent the department or any local
24 agency from constructing improvements in the transportation
25 corridors that compete with the program, and the San Bernardino
26 County Transportation Authority shall not be entitled to
27 compensation for the adverse effects on toll revenue due to those
28 competing improvements.

29 (g) If any provision of this section or the application thereof is
30 held invalid, that invalidity shall not affect other provisions or
31 applications of this section that can be given effect without the
32 invalid provision or application, and to this extent the provisions
33 are severable.

34 (h) Nothing in this section shall authorize the conversion of any
35 existing nontoll or nonuser-fee lanes into tolled or user-fee lanes,
36 except that a high-occupancy vehicle lane may be converted into
37 a high-occupancy toll lane.

38 SEC. 11. The provisions of this act are severable. If any
39 provision of this act or its application is held invalid, that invalidity

1 shall not affect other provisions or applications that can be given
2 effect without the invalid provision or application.

3 SEC. 12. If the Commission on State Mandates determines
4 that this act contains costs mandated by the state, reimbursement
5 to local agencies and school districts for those costs shall be made
6 pursuant to Part 7 (commencing with Section 17500) of Division
7 4 of Title 2 of the Government Code.

O